GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries & Commerce Department - Andhra Pradesh Policy for establishment of Private Industrial Parks with 'Plug and Play' Industrial Infrastructure (4.0) 2024-29 - Orders - Issued.

INDUSTRIES & COMMERCE (INFRA) DEPARTMENT

G.O.Ms.No.67 Dated: 26-10-2024.
Read:

From the VC&MD., APIIC Ltd., Letter No.APIIC-INC01-IND0IICE/121/2024-INFRA, Dated: 14.10.2024.

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ORDER:

The Government of Andhra Pradesh (GoAP) with a view to make Andhra Pradesh a progressive and highly industrialized state, has accorded top priority to industrial growth to promote employment and attract investments resulting in multiplier impact on the economy. In response to the evolving geopolitical landscape, global manufacturers have sought new production bases to diversify their operations. India's large consumer market has positioned it as a preferred destination for major multinationals.

2. The VC&MD., APIIC Ltd., submitted that given the increasing number of proposals for development of industries, the GoAP has to proceed to support and encourage the development of private Industrial Parks in the state, by enabling the creation of a framework to increase participation of potential developers. Accordingly, the VC&MD., APIIC Ltd., in the reference read above has submitted the proposal of Andhra Pradesh Policy for establishment of Private Industrial Parks with 'Plug and Play' Industrial Infrastructure (4.0) 2024-29 and remarked that through this policy intervention, Andhra Pradesh will be able to create conducive environment for enterprise looking to diversify manufacturing base, expand to new markets, without compromising climate goals. APIIC further submitted that this policy is aimed to encourage enterprises looking to set up their base in India and especially consider Andhra Pradesh favourably as an investment destination.

3. The remarks of the Finance Department have been received vide e-FILE No. INC01-IND0IICE/121/2024-INFRA (C.No.2503644) that the support for External Infrastructure like Road, water and also Capital Support for CETPs, Desalination Plants, Capital Support for Industrial Housing & other social infra project under the Policy needs to be planned by the Department and APIIC, with the plan to establish the parks with a mechanism to generate revenue to meet the cost for development of all infrastructures without creating additional financial liability to the government.

4. Government, after examining the proposal, hereby approve the Andhra Pradesh Policy for establishment of Private Industrial Parks with Plug and Play' Industrial Infrastructure (4.0) 2024-29.

5. The Incentives mentioned in the policy will be extended to eligible Industries as per the operational guidelines to be notified separately. The VC&MD, APIIC, the Director of Industries, Vijayawada and CEO, AP MSME Development Corporation, Vijayawada shall take necessary action for implementing operating guidelines for this Policy.

6. This order issues with the remarks of the Finance (FMU-I&I, Energy and I&C) Department as mentioned above.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

N. YUVARAJ
SECRETARY TO GOVERNMENT & CIP

To
The Director of Industries, A.P., APIIC Towers,
IT Park, Mangalagiri, Guntur District, A.P. - 522 503.
The VC&MD., APIIC Ltd., APIIC Towers, IT Park,
Mangalagiri, Guntur District, A.P. - 522 503.
The CEO, AP MSME Development Corporation, Vijayawada.
The General Administration (Cabinet) Department.
(With reference to U.O.No.194/2024, dt:21.10.2024)
The Director of Handlooms and Textiles. Yerrabalem, Mangalagiri.
The Director of Mines and Geology, Ibrahimpatnam, Vijayawada.
The Managing Director, Andhra Pradesh State Financial Corporation, Tadepalli, Guntur.
The Principal Finance Secretary, AP Secretariat, Velagapudi.
The Secretary to Government, Finance Department
The Secretary to Government, Social Welfare Department.
The Secretary to Government, Tribal Welfare Department
The Special Chief Secretary to Government, Revenue (CT/LA) Department.
The Special Chief Secretary to Government, Irrigation & CAD (Reforms) Department.
The Special Chief Secretary to Government, Energy Department.
The Secretary to Government, I&I Department.

Copy to

The LFB&IMS Department.
The Accountant General, Andhra Pradesh, Hyderabad
The Convener, State Level Banker's Committee.
The General Manager, Small Industry Development Bank of India, (SIDBI),
The Pay and Accounts Officer, Vijayawada.
All District Collectors through Director of Industries, Vijayawada.
All Heads of Departments through Director of Industries, Vijayawada.

All Departments of Secretariat, Velagapudi.
All Govt. Companies/Corporations through Director of Industries, Vijayawada.
The P.S. to Addl. Secretary to Chief Minister, Andhra Pradesh.
The P.S. to Chief Secretary to Government, Andhra Pradesh.
All Private Secretaries to the Ministers.
All General Managers, District Industries Centre in the State through Director of Industries, Vijayawada.
All Sections in the Department.
SF/SC (C.No.2503644).

//FORWARDED BY: ORDER//

V. Kary

SECTION OFFICER

Annexure to G.O.Ms.No.67, Ind. & Comm. (Infra) Department, dt.26.10.2024.
AP Policy for establishment of Private Industrial Parks with 'Plug and Play' Industrial Infrastructure (4.0) 2024-29

Introduction: The Government of Andhra Pradesh (GoAP) with a view to make Andhra Pradesh a progressive and highly industrialized state, has accorded top priority to industrial growth to promote employment and attract investments resulting in multiplier impact on the economy. Given the increasing number of proposals for development of industries, the GoAP seeks to support and encourage the development of private Industrial Parks in the state, by enabling the creation of a framework to increase participation of potential developers.

Through this policy, Andhra Pradesh will create conducive environment for enterprise looking to diversify manufacturing base, expand to new markets, without compromising climate goals. In response to the evolving geopolitical landscape, global manufacturers have sought new production bases to diversify their operations. India's large consumer market has positioned it as a preferred destination for major multinationals.

This policy will encourage enterprises looking to set up their base in India and especially consider Andhra Pradesh favourably as an investment destination, which through this policy has resolved to establish world class Industrial Parks.

Objective: Following are the policy objectives:-

a) To promote and enable the development of world class Industrial Parks by private sector agencies in Andhra Pradesh.
b) To generate employment and attract investment by enabling the formation of a conducive environment to bring in investments in the state.
c) To enable provision for world class Operation & Maintenance in the Industrial Parks in the state
d) Create an enabling framework for pooling of land from farmers for creation of Industrial Parks
e) To promote the establishment of sector specific industrial park

Executing Agency: The Department of Industries & Commerce, Government of Andhra Pradesh or any other agency authorized by it shall be the executing agency for the Andhra Pradesh Private Industrial Parks Policy, 2024. Further, Institutional mechanism are elaborated at Para-9.

1. Title

The Policy shall be known as the **Andhra Pradesh Policy for establishment of Private industrial Parks with 'Plug and Play' industrial infrastructure (4.0) 2024-29** ("**Policy**") and will come into force from the date of issuance of Government Order (G.O.) and shall remain in force for a period of five years there upon.

2. Definitions

2.1 "**APICDA**" shall refer to Andhra Pradesh Industrial Corridor Development Authority notified as per the 'The Andhra Pradesh Industrial Corridor Development Act, 2017'.

2.2 "**APIIC**" shall refer to the Andhra Pradesh Industrial Infrastructure Corporation Limited established by the State of Andhra Pradesh by way of Government Order No. 831, dated September 10, 1973.

2.3 "**APMSMEDC**" shall refer to the Andhra Pradesh Micro, Small & Medium Enterprises Development Corporation Limited

2.4 "**Commencement of Operations**" shall refer to commencement of commercial production/service of the unit.

2.5 "**Common Internal Infrastructure**" shall include, but is not limited to, the following infrastructure facilities within the Industrial Park, which shall be shared by the Industrial Units:-

(a) Internal Roads within the Industrial Park
(b) Drainage Facilities
(c) Streetlights in the Industrial Park
(d) Water Distribution Network and Related Facilities
(e) Electricity/ Energy/ Gas Distribution Network and related Facilities
(f) Communication Network and related facilities
(g) Effluent Treatment Plant and related Infrastructure
(h) Facilities Centre, Primary Health Centre, Product Development Centre, Training Centre, Testing Centre, R&D Centre and or any Common Facilities Centre, and
(i) Any other infrastructure facilities.

2.6 "**Completion of Industrial Park**" shall mean, when

(a) At least 50% of the land identified for Industrial Activity has been sold/leased to Industrial Units and Industrial Units occupying at least 50% of such area have achieved Commencement of Operations, and
(b) At least 50% of the total Fixed Capital Investment planned on the development of the Industrial Park (excluding land) is incurred.

2.7 "**Developer**" shall mean any individual, company registered under the Companies Act, 1956 or the Companies Act, 2013, any limited liability partnership firm registered under the Limited Liability Partnership Act, 2008, any society registered under the Societies Registration Act, 1860, any trust registered under the Indian Trusts Act, 1882 or under an Act of Parliament or State Legislature, any partnership firm registered under the Partnership Act, 1932, any public sector undertaking under (a) Government of India,(b) any state government or (c) government of any foreign country, or any other entity including Funds established under any other applicable laws or under the applicable laws of any other country or an association or any combination of the aforementioned entities, that proposes to develop or develop and operate Industrial Parks, subject to applicable laws.

2.8 "**DPR**" shall mean a detailed project report the contents of which shall be as prescribed by APIIC or APMSMEDC or Executing Agency from time to time.

2.9 "**Estimated Project Cost**" shall refer to the project cost in relation to the development of the Industrial Park including the following:-

(a) Fixed capital investment in building and infrastructure facilities (excluding the cost of land) ("**Fixed Capital Investment**")
(b) Cost of providing all external infrastructure including road connectivity, water connectivity, gas pipeline, rail siding, power connectivity upto the boundary of the Industrial Park ("**External Infrastructure**").
(c) Cost of land as referred to in the DPR as approved by APIIC or APMSMEDC or Executing Agency, as the case may be.

2.10 **"Flatted Factory Complex (FFC)"**: A flatted factory complex is a multistory industrial building that is divided into smaller units for separate use by various businesses for manufacturing, assembly and storage and located in an area of more than 0.5 acre.

2.11 "**Financial Year**" shall refer to a year beginning on April 1 and end on March 31 of the succeeding year.

2.12 "**GoAP**" refers to the Government of Andhra Pradesh

2.13 **"IALA"** refers to the Industrial Area Local Authority

2.14 "**Industrial Activity**" refers to (a) manufacturing activity as defined in section C of the National Industrial Classification, 2008 Code, issued by the Central Statistical Organization, Department of Statistics; (b) development of computer software and information technology enabled products or services and (c) any other services.

2.15 "**Industrial Park**" shall mean an industrial area or estate, which is developed primarily for establishment of manufacturing/ service units, which may include developed plots for Industrial Units, residential and/or commercial establishments including Warehousing units, and Common Internal Infrastructure, as detailed under this Policy and as per applicable laws. These Parks can be notified under Section-3 of the *AP Industrial Corridor Development Authority Act, 2017,* as part of the Industrial Node or Periphery and as per Section-4 of the Act, these parks exclude the gram-kantham areas and the municipal areas and shall cease to be under the jurisdiction of the respective Local Authorities and Local Development Authorities, so far as it relates to this Act and shall be *deemed to be an industrial township* within the meaning of the proviso of clause (1) of Article 243Q of the Constitution of India from the date, it is so notified in the Andhra Pradesh Gazette by the State Government.

2.16 **"Facilities of the Industrial Parks under the Policy"**: The facilities that should be present within the Industrial parks, to be eligible to avail the benefits under the Policy and that includes the facilities including those mentioned at Para 2.5, Para 3.3 and Para 3.6, but not limited to them.

2.17 "**Industrial Unit**" shall refer to a unit which is,

(a) located in the Industrial Park;

(b) a separate and distinct entity assessable to tax under the provisions of the relevant i.e., income tax, commercial tax, goods and services tax, etc., and

(c) carrying out Industrial Activity.

2.18 **"Large Parks"** shall refer to the industrial parks, that cover a minimum area of more than 100 Acres of contiguous land and upto a maximum of 1,000 Acres.

2.19 **"Mega Parks"** shall refer to the industrial parks, that cover a minimum area of more than 1,000 Acres of contiguous land.

2.20. "**Legal Status**" shall refer to the legal entity of the Developer at the time of submission of the DPR, under relevant rules and regulations (i.e., Proprietorship/Partnership/LLP/Company etc.)

2.21 **"MSME"** shall refer to industrial units/enterprises as per the criteria for classification notified by the Ministry of Micro, Small and Medium Enterprises of the Govt. of India which states that:-

(a) **a micro** enterprise, where the investment in Plant and Machinery or Equipment does not exceed one crore rupees and turnover does not exceed five crore rupees.

(b) **a small** enterprise, where the investment in Plant and Machinery or Equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees.

(c) **a medium** enterprise, where the investment in Plant and Machinery or Equipment does not exceed fifty crore rupees and turnover does not exceed two hundred and fifty crore rupees.

2.22 **"MSME Parks"** shall refer to Industrial Parks spread over an extent between 10 Acres to 100 Acres of contiguous land and has most of its allotments made to MSME Industrial Units and may have one or few Anchor Units, beyond the MSME category units.

2.23 "**Single Desk Portal**" shall refer to the portal, set up under the Andhra Pradesh Single Desk Policy 2015, as amended from time to time, or any other Act/ policy of GoAP.

2.24 **"Nano or Tiny Parks"** shall refer to industrial parks spread over an extent lesser than 10 Acres of contiguous land.

3. Scope of the Policy

3.1 The Policy will ordinarily cover such locations, which can be developed into Industrial Parks that are:

(a) Already notified as industrial zone in the master plan wherever notified by the Directorate of Town and Country Planning, Government of Andhra Pradesh or in the locations of other types of Zones, which have the potential to be developed as Industrial Zones and subsequently, can be converted into suitable Industrial Zones by the APICDA or competent authority.

(b) Covering a minimum area of lesser than 10 Acres of contiguous land in case of Nano or Tiny Parks.

(c) Covering a minimum area in between 10 Acres to 100 Acres of contiguous land in case of MSME Parks.

(d) Covering an area between 100 Acres to 1,000 Acres of contiguous land in case of Large or Sector Specific Parks.

(e) Covering an area of more than 1,000 Acres of contiguous land in case of Mega Parks.

(f) Located outside notified urban area limits.

3.2 The policy targets industrial clusters/ locations with high growth potential, which require strategic interventions by way of providing world- class infrastructure support. The project cost will cover common infrastructure and buildings for production / support activities (including engineering, accessories, packaging etc) depending on the needs of the Industrial Park. There will be flexibility in setting up Parks to suit the local requirements.

3.3 The Industrial Park proposed under this policy will have the following components:-

(a) Group A - Land

(b) Group B - Processing Area

i. Common Infrastructure like compound wall, roads, drainage, water supply, electricity supply including captive power plant effluent treatment, telecommunication line etc.

ii. Industrial plots and Factory buildings for production purposes

iii. Buildings for common facilities like testing laboratory (including equipment), design centre (including equipment), training centre (including equipment), trade centre / display centre, cold storage, warehousing facility / raw material depot, packaging units, creche, canteen, workers-hostel, offices of service providers, labour rest and recreation facilities, marketing support system (backward / forward linkages) etc.

iv. Open spaces, roads and pathways

(c) Group C - Not more than 33% of the total area be used for Non - processing purposes including social infrastructure in case of Large and Mega category Parks

(the area for Social Infrastructure should not be more than 10% of the total area)

i. Business related offices
ii. Convention centres
iii. Business centres
iv. Education and Skill training centres
v. Hotels, Service apartments
vi. Housing
vii Schools
viii. Hospitals
ix. Entertainment centres and shopping malls
x. Open spaces, roads and pathways

3.4 The Project Cost for the purpose of this Policy includes the cost on account of components of the Industrial Park as listed under Group B only. Since the items covered under the Group are illustrative and every Industrial Park may be developed to suit the specific production and business requirements of the end users of the Industrial Park, the Evaluation Committee (EC) will approve on merit the inclusion or otherwise of a component in the project cost on case-to-case basis.

3.5 The Parks with Processing Units in sectors like Textile, Leather or any other Red Category Line of Activity based industries etc. should strive to have a Zero Liquid Discharge CETP or with a proper marine outfall, as applicable.

3.6 The Policy intends to promote the establishment of Plug n Play Industrial Parks and Flatted Factory Sheds especially in the Nano Park and MSME Park in alignment with the existing or proposed schemes of Govt. of India that may be announced by GoI or GoAP in future from time to time. Following shall be the essential components of the Industrial Parks having the Plug n Play facilities:-

(a) As part of common infrastructure, it shall include:

i. Roads (Readily Available)

ii. Sewerage Connection (Ready Built)

iii. Electrical lines, poles at the establishment (Ready Built)

iv. Water Connection facilities, (Ready built)

v. Natural Gas Pipeline (wherever applicable)

vi. Utility Service-Fire hydrants line (Ready built)

vii. Commercial Centre in the industrial estate (Ready Built)

viii. Skill development centre and linked facility (Ready Built)

ix. Bank and ATM facility inside the industrial estate (Ready Built)

(b) Other facilities which shall be extended on case-to-case basis and as recommended by the Evaluation Committee from amongst the following:-

Desirable Facilities within the Industrial Park	Other 'Good to Have' Facilities
o Testing labs (including eqpt.) o Training Centre (including training eqpt.) o Trade Centre / Display Centre o Warehousing Facility / Raw Material Depot o Packaging units o Creche o Canteen o Workers' Hostel o Offices of Service Providers o Labour Rest & Recreation Facilities o Marketing Support System (Backward / forward Linkages)	o Convention Centre o Business and Trade related office spaces o Worker's education and skill training centers o Hotels, Service Apartments o Housing o Schools o Hospitals o Entertainment Centers and shopping malls

3.7 The Policy shall also be applicable for the development of the Sector Specific Industrial Parks such as the:-

(a) Biotechnology Park
(b) Pharmaceutical Park
(c) Toy Park
(d) Electric Vehicles Park
(e) Semiconductor Park
(f) Defence and Aerospace Park
(g) Food Processing Parks including Agro-Processing and Aqua- Processing Park
(h) Leather Parks
(i) Textiles Parks
(j) Specific Product Park
(k) Parks for downstream industries of evolving needs
(l) Drone Manufacturing Parks
(m) Any other park as may be decided by the Government from time to time.

3.8 Government will take necessary action to notify under Section-3 of the *AP Industrial Corridor Development Authority Act, 2017,* as part of the Industrial Node or Periphery and as per Section-4 of the Act, so as to extend the achieve the objectives of integrating these Private Parks along the three Industrial Corridors across the State.

4. Speed of Doing Business for Approvals and Clearances:-

4.1 All Private Mega Industrial Parks and select Private Large Industrial Parks shall be eligible for IALA status. All IALA services shall be extended as part of the Single Window facility

4.2 As per the provisions of the APICD Act, the lay outs of the Industrial Parks approved under the Policy will be approved expeditiously by the APICDA or the concerned UDA, as per the case, without any fees as per the incentives structures proposed under Para-6. Building Plan approvals will be sanctioned by IALA or concerned Local Bodies through Single Desk Portal 2.0 envisaged under the AP Industrial Development Policy, 4.0.

4.3 For taking required Environment Clearance, Executing Agency and the Evaluation Committee shall handhold the Private Developer.

5. Models for Industrial Park Development

5.1 The Policy is flexible to accommodate *all possible models* of Park Development and Maintenance and Provision of Services, starting from O&M by private participation to Complete Development and Operation of the Parks through Joint Venture (JV), Build Own Operate (BOO), Design Build Finance Operate Transfer (DBFOT), etc, to create best Industrial Infrastructure.

5.2 Private Developer may be the owner of the majority lands cum Promoter of the Park; In some cases, the Private Developer will pool the lands from the farmers *(for all types of parks mentioned at Para 3.1 and Para 3.7)* cum Promoter of the Park.

5.3 The broad three models for development of industrial parks having private sector participation are as follows:-

(a) **Model - I: Industrial Park Development with complete private land** - Private Developer acquires land on its own or Pools the lands and develops the Industrial Park with the required infrastructure and facilities as mentioned at Para 2.5, Para 3.3 and Para 3.6 and as applicable to the nature of the Parks being developed.

(b) **Model - II: industrial Park Development with Partial Government / APIIC Land** - Private Developer acquires or pools the majority of the required lands and seeks support from the Govt. to consolidate the Govt. lands within or around the proposed park for contiguity purpose. Govt. will facilitate in consolidating the requisite land parcels for the project. Based on the extent of land consolidated by the Government / APIIC, the Private Developer will share proportionate number of developed plots to the Nodal Agency / APIIC.

(c) **Model - III: industrial Park Development with Complete Government/APIIC Land**. The Executive Agency viz, APIIC and APMSMEDC will select the Private Developers selected through an open, transparent and a competitive bidding process. A Transaction Advisor shall be selected and appointed by the nodal agency for the purpose of managing the entire bidding process consistent with the appropriate Public Private Partnership (PPP) Transaction Structure as approved by the Govt. or any instrumentality / body / committee authorized by it.

The selected Private Developer shall enter into an Agreement (notified as part of the bidding documents) for undertaking the project development activities such as designing, financing, construction, operation & maintenance, and marketing of the Industrial Parks.

5.4 Apart from the three models mentioned in the Clause 4.1, the policy intends to provide flexibility to accommodate existing or innovatively conceptualized Industrial Park development models across Nano, MSME, Large and Mega Industrial Parks.

5.5 The three models stated above are indicative in nature and final decision on the development model shall be taken by the Evaluation Committee established for the evaluation of application and taking all decisions pertaining to development of industrial parks involving private sector participation.

6. Incentives, Subsidies and their disbursement milestones for Private Nano or Tiny and MSME Parks

6.1 Following is the list of the incentives which shall be provided upfront to the Developers interested/selected for the purpose of the development of the MSME Parks. Some of the incentives shall be upfront incentives while the Capital Subsidy for Infrastructure Support shall be released in a phase wise manner.

6.2 The main criterion for the selection of the proposals for the development of Private Industrial Parks mainly depend on the availability of the external infrastructure such as roads, water, electricity, etc. and depending on the industrial ecosystem and potential available for a particular location, the provision of the external infrastructure upto to the proposed Industrial Park is the upfront incentive cum catalyst for the development of the park.

6.3 The details of the other types of upfront incentives are as below:

(a) Upto 100% exemption of Conversion Charges applicable in case of conversion of Agricultural land to Non-Agricultural land

(b) Upto 100% exemption of charges for Change of Land Use in the Master Plan notified, wherever applicable
(c) Upto 100% exemption for Layout Approval
(d) Upto 100% exemption of Stamp Duty and Registration Charges for pooling the lands for the Industrial Parks

6.4 The Developer shall be eligible for a Capital Subsidy of upto Rs. 5 lakhs per acre and phase wise release schedule of Capital Subsidy as per milestones is given below:

Subsidy release phase	Progress Status	Milestone Achieved	Milestone of incentive / subsidy release
Phase - I	Approval of the Project	Minimum Assured External Infra such as Road, Power, Water, etc.	Upfront incentives sanctioned
Phase - II	25% progress	Upto 25% area developed or 15% of area allotted, whichever is higher	30% of subsidy amount
Phase - III	75% progress	Upto 75% area developed or 50% of area allotted, whichever is higher;	20% of subsidy amount
Phase - IV	100 % Complete	100% area developed; CFC in place; 75% area allotted	20% of subsidy amount
Phase - V	Operational Park	>80% area allotted; 20% area implemented	Last 30% subsidy amount release

6.5. The Developer shall be eligible for incentives and subsidies after the lands have been registered in the name of the Private Developer.

7. Incentives, Subsidies, and their disbursement milestones for Private Large Industrial Parks and Mega Industrial Parks

7.1 Following is the list of the incentives which shall be provided upfront to the Developers interested/selected for the purpose of the development of the Large and Mega Parks. Some of the incentives shall be upfront incentives while the Capital Subsidy for Infrastructure Support shall be released in a phase wise manner.

7.2 The main criterion for the selection of the proposals for the development of Private Industrial Parks mainly depend on the availability of the external infrastructure such as roads, water, electricity, etc. and depending on the industrial ecosystem and potential available for a particular location, the provision of the external infrastructure upto to the proposed Industrial Park is the upfront incentive cum catalyst for the development of the park

7.3 The details of the other types of upfront incentives are as below:-

(a) Upto 100% exemption of Conversion Charges applicable in case of conversion of Agricultural land to Non-Agricultural land

(b) Upto 100% exemption of charges for Change of Land Use in the Master Plan notified, wherever applicable
(c) Upto 100% exemption for Layout Approval
(d) Upto 100% exemption of Stamp Duty and Registration Charges for pooling the lands for the Industrial Parks

7.4 The Developer shall be eligible for a Capital Subsidy of upto Rs. 3 lakhs per acre and phase wise release schedule of Capital Subsidy as per milestones is given below:-

Subsidy release phase	Progress Status	Milestone Achieved	Milestone of Incentive / Subsidy Release
Phase - I	Approval of the Project	Minimum Assured External Infra such as Road, Power, Water, etc.	Upfront incentives sanctioned
Phase - II	25% progress	Upto 25% area developed or 15% of area allotted, whichever is higher	30% of subsidy amount
Phase - III	75% progress	Upto 75% area developed or 50% of area allotted, whichever is higher;	20% of subsidy amount
Phase - IV	100 % Complete	100% area developed; CFC in place; 75% area allotted	20% of subsidy amount
Phase - V	Operational Park	>80% area allotted; 20% area implemented	Last 30% subsidy amount release

7.5 The Developer shall be eligible for separate capital support for CETPs and Desalination Plants as applicable under the AP Industrial Development Policy, 4.0 or other schemes of the State Government or Government of India.

7.6 Policy encourages industrial projects to build housing and hostels for employees within 5 km of these Industrial parks as well.

7.7 The government will facilitate to develop Industrial housing facilities / Industrial Hostels to rent to workers and industries, in all the Mega Parks and select Large Parks, duly dovetailing GoI schemes *(Affordable Rental Housing Complex (ARHC) Scheme) or any other scheme.* The Developer will be facilitated to get the required capital support for Industrial Housing and other social infrastructure projects and for additional FSI in case of vertical buildings planned on the Industrial Park site.

7.8 The Developer shall be eligible for incentives and subsidies after the lands have been registered in the name of the Private Developer.

8. Role of Stakeholder Departments in facilitation of Private Industrial Park Development

8.1 The select proposals shortlisted by the Evaluation Committee for Private Industrial Park Development will be shared with Stakeholder Departments for necessary approvals and clearances:-

(a) **Municipal Administration & Urban Development (MA&UD) Dept or APICDA as the case may be :** Approval of change of land use, duly updating Master Plan (without fees)

(b) **Roads & Buildings Dept. or Panchayati Raj Dept. / APIIC / other concerned GoAP engg. dept:** External Road connectivity to park limits; District Collector to facilitate provision of required Lands.

(c) **Water Resources Dept.:** For allocation of water from neighbouring reservoirs

(d) **APIIC / Rural Water Supply & Sanitation (RWSS) Dept. / MA&UD Dept.:** To arrange for water during construction phase / facilitating water pipeline works.

(e) **DISCOMS (AP TRANSCO, etc.):** For priority provision of Sub Stations and laying of power lines with internal resources of Energy Department; District Collector may organize Lands for Sub Stations in case of Tiny Parks and MSME Parks.

(f) **Panchayati Raj & Rural Development (PR&RD) Dept.: For** utility provision in rural areas

(g) **Andhra Pradesh Pollution Control Board (APPCB):** Priority handholding for Environmental Clearance and dovetail available schemes for setting up of CETPs in these Parks.

9. Institutional mechanism for policy implementation

9.1 APIIC / APMSMEDC or any other agency as notified by GoAP shall be the nodal agency to issue the Expression of Interest (EoI) / Request for Proposal (RFP) documents and evaluate the proposals received in response for screening purpose :-

(a) APMSMEDC for potential Tiny Parks and MSME Parks
(b) APIIC for potential Large and mega Parks

9.2 APIIC, APMSMEDC or any other agency as notified by GoAP will formulate the External Infra Support Plan, in consultation with stakeholder departments for proposed Private Industrial Parks to be developed by the Private Developer

9.3 Private Industrial Parks Evaluation Committee under the Industries & Commerce Department, with all stakeholder departments (Energy, R&B, PR, RWS, MA&UD, APPCB, etc.) will be constituted to finalize the External Infra Support Plan and to recommend proposals for approval; Chief Secretary to resolve inter-departmental issues, if any.

9.4 Finance Department will be part of the Evaluation Committee and will be consulted while evaluating the Proposals involving GoI / APIIC lands.

9.5 Proposals recommended by Committee will be brought for approval of the Cabinet [through State Investment Promotion Committee (SIPC) & State Investment Promotion Board (SIPB)]

9.6 Approved Parks will be notified under Andhra Pradesh Industrial Corridor Development Act, 2017 and thus, these Private Parks will become part of the State's Industrial Master Plan.

9.7 Govt. of AP will facilitate dovetailing of relevant GoI schemes for the support of select Private Industrial Parks

10. Operating Guidelines

11. The operating guidelines for this policy will be issued separately detailing the definitions of various terminologies and procedures for availing incentives under this policy.

N. YUVARAJ
SECRETARY TO GOVERNMENT & CIP